

**ABSTRACT OF THE DISCLOSURE**

An all terrain vehicle has a passenger seat directly behind the driver's seat. The passenger seat comprises a contoured seat portion that serves as a back rest to the driver's seat and a foldable back rest portion. The seat portion is linked to the back rest portion so that it retracts vertically when the back rest portion is folded down, so that the back rest portion is level with the rear cargo rack and able to carry a load of cargo. The back rest may be locked in both the upright and folded position. It may be contoured to provide back support to the driver while folded, and may have an auxiliary cargo rack in its rear face.